

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0071-02  
Bill No.: SCS for HB 528  
Subject: Agriculture and Animals; Motor Fuel; Revenue Dept.; Taxation and Revenue – General; Taxation and Revenue – Sales and Use  
Type: Original  
Date: April 13, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials with the **Department of Agriculture and Department of Revenue** assume this proposal would have no fiscal impact on their agencies.

In response to a similar version of this proposal (FN #0071-01/Perfecting HB 528), officials with the **Department of Natural Resources** assumed the proposal would have no fiscal impact on their agency.

In response to a similar version of this proposal (FN #0071-01/Perfecting HB 528), officials with the **Office of Administration – Division of Budget and Planning (BAP)** assume this proposal would reduce state revenues by an unknown amount, since there is currently no way to determine to determine how much of the excise taxes being collected on gasoline sales consist of bulk sale transactions. BAP assumes no fiscal impact on its agency.

In response to a similar version of this proposal (FN #0071-01/Perfecting HB 528), officials with the **Department of Transportation (MoDOT)** assumes this proposal would result in an unknown negative fiscal impact due to additional refunds on fuel tax collections. MoDOT assume this the total negative fiscal impact would exceed \$100,000.

ASSUMPTION (continued)

**Oversight** assumes that the bulk fuel sales exempted by this proposal would be used for exempt agricultural purposes under the current statute; therefore, no fiscal impact is assumed.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (6 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (6 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

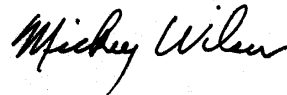
This legislation authorizes the ultimate vendor, delivering bulk sales of gasoline to a certified farmer, after January 1, 2006, to make a claim for a refund of the motor fuel tax at the time of delivery. Under the act, the ultimate vendor shall not be liable for any fraud or tax evasion committed by the farmer with respect to the motor fuel tax.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Agriculture  
Department of Natural Resources  
Department of Revenue  
Department of Transportation  
Office of Administration  
Division of Budget and Planning

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 13, 2005